Exhibit 300: Capital Asset Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview & Summary Information

Date Investment First Submitted: 2009-06-30
Date of Last Change to Activities: 2012-05-21
Investment Auto Submission Date: 2012-02-27
Date of Last Investment Detail Update: 2011-09-16
Date of Last Exhibit 300A Update: 2012-02-27
Date of Last Revision: 2012-08-14

Agency: 029 - Department of Veterans Affairs **Bureau:** 00 - Agency-Wide Activity

Investment Part Code: 01

Investment Category: 00 - Agency Investments

1. Name of this Investment: Medical 21st Century Laboratory

2. Unique Investment Identifier (UII): 029-555555222

Section B: Investment Detail

1. **Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

At all VA Medical Centers, the VA Pathology and Laboratory Medicine Service (P&LMS) provides principal medical diagnostic laboratory testing, a significant driver in clinical decision making. The Medical 21st Century Laboratory System Reengineering Program (LSRP) will modernize the legacy Veterans Health Information Systems and Technology Architecture (VistA) Laboratory application created more than 30 years ago. The solution utilizes a Commercial off-the-Shelf (COTS) Laboratory Information Management System (LIMS) interfaced with VistA to maintain systems integration with the more than 40 applications. The main laboratory modules provided by the COTS LIMS are General Laboratory, Microbiology, Anatomic Pathology and Molecular Diagnostics. A new graphical user interface will allow lab users to accomplish their primary business functions: specimen receiving, specimen tracking, quality control, testing, results documentation, and results verification. The new LIMS will allow the VA to address specific patient safety concerns, meet regulatory and accreditation standards, support enhanced business processes and emerging technologies as well as improve overall lab productivity towards both effective and efficient medical care of Veterans. This solution will meet emerging technology needs (e.g. Molecular Diagnostics, Synoptic Reporting), improve Data Sharing and Interoperability with DoD, Public Health Labs and reference labs; increase levels of standardization across Pathology and Laboratory Medicine Service; and provide immediate support for the extensive inventory of laboratory

instrumentation and bar code technology for specimen relabeling. Benefits to the veteran include increased access and exchange of lab data, improved clinical diagnostic services, faster processing and reporting of lab tests and correction of identified patient safety deficiencies. The project is dependent on VA OMB Exhibit 300 projects "Medical Legacy" to correct an identified Health Level 7 (used in message transmission) problem and to provide changes that allow converted Medical 21st Century - Lab sites the ability to communicate with non-converted sites & vice versa and "Interagency 21st Century Veterans Interoperability" to supply supporting functionality for standard Lab order catalog. The project is part of the VA and DoD joint health Information Technology (IT) initiative, Electronic Health Record (iEHR), and future enhancements will be driven by the iEHR requirements.

2. **How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.**

The new LIMS will deliver the following features that address six performance gaps within the legacy Veterans Health Information Systems and Technology Architecture (VistA) Lab. 1. Improved timeliness and responsiveness for serving Veterans: improvement in turnaround time for critical Laboratory tests such as reducing the Troponin Lab test turnaround time from estimated average of 66 minutes to 57 minutes and Potassium Lab test turnaround time from estimated average 162 minutes to 57 minutes. 2. Efficient and quality Healthcare delivery for Veterans: reduction in labeling errors on the of Lab anatomic pathology specimens from estimated .1% to 0% by using bar code technology at the point of collection. 3. Improved standardization and accuracy in reporting: increase the percent of cancer pathology reports that meet Cancer Reporting Protocols as determined by College of American Pathologists (CAP) from less than 90% up to 98%. 4. Compliance with Standards: Increased percent of all laboratory reports that document the location where the lab test was performed from 80% to 100% to comply with Joint Commission. 5. Enhanced patient safety with integrated specimen tracking: specimen movement across local facility, another VA reference lab, external reference lab and VA community based outpatient clinics (CBOCs). 6. Ability for continuous improvements in quality of care: availability of a suite of data mining and reporting tools in the new LIMS to permit the organization and review of clinical patterns of laboratory resource utilization for efficient workload management and decision making. 7. Improved exchange of health care data for veterans and military personnel under the iEHR, the VA and DoD joint health IT initiative. A majority of clinical decisions are based on the laboratory results, therefore, if this investment is not fully funded, major patient safety issues will continue to exist in HealthCare delivery of Veterans. The existing VistA Lab, built over 30 years ago on dated technology, will continue to be resource intensive to maintain, and a barrier in timely delivery of care (as noted in above examples) to Veterans.

3. **Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.**

1. The Laboratory VistA legacy LIMS was replaced with Cerner PathNet (COTS LIMS) at alpha site Huntington VA Medical Center (VAMC). 2. Two weeks of just-in-time Cerner PathNet training was provided to Huntington Lab users. 3. Provided several months of on-site and remote support to Huntington VAMC before and after conversion to Cerner PathNet.

4. **Provide a list of planned accomplishments for current year (CY) and budget year (BY).**

Current Year Planned accomplishments are dependent on meeting iEHR requirements and funding. 1. The Laboratory VistA legacy LIMS will be replaced with Cerner PathNet (COTS LIMS) at two beta sites - VA New Jersey Health Care System (VANJHCS) and Phoenix VA Health Care System (PVAHCS). 2. Complete alpha testing at Huntington VAMC. 3. Complete beta testing at VANJHCS and PVAHCS. 4. Obtain VA CIO signoff of the national deployment decision. Budget Year Planned Accomplishments. 1.Plan the national deployment of the COTS LIMS at approximately 160 VA medical centers and initiate national deployment according to iEHR requirements and funding. BY funding does not support a three year national deployment strategy as required. National deployment involves converting the 30+ year old antiquated VA VistA Laboratory Information Management System (LIMS) to a state-of-the-art Commercial off-the-shelf LIMS, Cerner PathNet.

5. **Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology specialist, a security specialist and a business process owner before OMB will approve this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.**

2009-06-10

Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding

	PY-1 & Prior	PY 2011	CY 2012	BY 2013
Planning Costs:	$7.6	$0.0	$0.0	$0.0
DME (Excluding Planning) Costs:	$35.6	$8.2	$13.0	$10.0
DME (Including Planning) Govt. FTEs:	$6.9	$2.0	$1.7	$1.8
Sub-Total DME (Including Govt. FTE):	$50.1	$10.2	$14.7	$11.8
O & M Costs:	$0.0	$0.1	$0.6	$0.1
O & M Govt. FTEs:	$0.0	$0.0	$0.0	$0.0
Sub-Total O & M Costs (Including Govt. FTE):	0	$0.1	$0.6	$0.1
Total Cost (Including Govt. FTE):	$50.1	$10.3	$15.3	$11.9
Total Govt. FTE costs:	$6.9	$2.0	$1.7	$1.8
# of FTE rep by costs:	10	15	15	15
Total change from prior year final President's Budget ($)		$-9.0	$4.8	
Total change from prior year final President's Budget (%)		-46.66%	46.16%	

2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

The significant directed decrease to the requested FY10 budget delayed the award of contracts to support alpha and beta deployments. In addition the decrease to the requested FY11 budget resulted in a postponement of Beta Testing from FY11 to FY12 and required an alternative strategy for national deployment. The FY12 directed decrease will not support the COTS licenses and systems environment required for national deployment planned to start in FY13.

Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy

Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value ($M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
Awarded	4735	GST0309DS6069	VA11810D0038	3600							
Awarded	3600	VA11811F0014	NNG07DA37B	8000							
Awarded	3600	VA11810D0038	V0001	3600							
Awarded	3600	V116C90123	GS00F0049M	4730							
Awarded	3600	V116C90122	GS35F023J	4730							
Awarded	3600	V200P1824	V00200P1752	3600							
Awarded	3600	V200P1818	V200P1752	3600							
Awarded	3600	V200P1819	V200P1751	3600							
Awarded	3600	V200P1829	VA200P1750	3600							
Awarded	3600	va11811f0263	nng07da44b	8000							
Awarded	3600	VA11810P0077									
Awarded	3600	VA11811P0064									
Awarded	3600	VA11811F0080	GS00F0049M	4730							
Awarded	3600	VA11811F0053	NNG07DA44B	8000							
Awarded	3600	V200P1807	V200P1751	3600							
Awarded	3600	VA11810F0002	GS35F0323J	4730							
Awarded	3600	V200P1821	V200P1752	3600							
Awarded	3600	V0005	VA11810D0038	3600							

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

The GST0307DS3191 contract (originally part of GS03T05DS0003) is a Multiple Agency Contract (MAC) that was initiated by the Department of Defense in 2002 before the VA Directive 6061 issuance in February 2006 and the final EVMS FAR language was published in July 2006. The VA was included in the scope of the contract. It has been determined that the cost to VA of having the contractor implement an EVMS will exceed the benefits for the remaining period of performance. However, the contractor will support VA's EVMS by providing the necessary schedule and cost performance information. All other contracts, with the exception or hardware and licenses which do not require EVM, are for outsourced development work and the dollar value is less than $20M, the contract is not high-risk, and the benefits do not exceed the cost to VA. As such, the contractors are not required to have an EVMS per VA Directive 6061. These contracts support a major IT development effort, and the contractor will support VA's EVMS by providing the necessary schedule, and cost performance information.

Exhibit 300B: Performance Measurement Report

Section A: General Information

Date of Last Change to Activities: 2012-05-21

Section B: Project Execution Data

Table II.B.1 Projects

Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost ($M)
1002180615	Laboratory System Re-Engineering Project	Laboratory System Reengineering Project (LSRP) delivers an industry-leading commercial Laboratory Information Management System (LIMS) for the Pathology & Laboratory Medicine Services (P&LMS) at Department of Veterans Affairs (VA). It is interfaced with Veterans Health Information Systems and Technology Architecture (VistA) and is focused on patient-centric reporting and correcting patient safety issues.			

Activity Summary

Roll-up of Information Provided in Lowest Level Child Activities

Project ID	Name	Total Cost of Project Activities ($M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance ($M)	Cost Variance (%)	Total Planned Cost ($M)	Count of Activities
1002180615	Laboratory System Re-Engineering Project							

Key Deliverables

Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
NONE								

Section C: Operational Data

Table II.C.1 Performance Metrics

Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
% of cancer pathology reports, measured at deployed sites, that meet Cancer Reporting Protocols as indicated by the College of American Pathologists (CAP), enabling data standardization and accuracy	% cancer reports meeting Protocols	Customer Results - Service Quality	Over target	80.000000	80.000000	80.000000	80.000000	Semi-Annual
% of anatomic pathology specimens that have labeling errors, measured at deployed sites; a reduction in this percentage indicates successful use of specimen bar code labeling.	% AP specimens with labeling errors	Mission and Business Results - Services for Citizens	Under target	0.100000	0.100000	0.100000	0.100000	Semi-Annual
% of all laboratory reports, compiled at the deployed sites, documenting location where test was performed, indicating a degree of legal and accreditation compliance and continued ability for laboratories to operate	% lab reports that document location	Technology - Quality Assurance	Over target	80.000000	80.000000	80.000000	80.000000	Semi-Annual
Overall lab productivity rate (# of onsite tests per full-time equivalent)	number onsite standard billable tests per FTEE	Process and Activities - Productivity	Over target	37566.000000	37566.000000	37566.000000	37566.000000	Semi-Annual

Table II.C.1 Performance Metrics

Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
measured at deployed sites, indicating increased throughput by laboratory personnel and an increased level of service to Veterans								
Average lab test turnaround time (TAT), compiled at deployed sites for critical tests, indicating laboratory level of performance where timeliness has a serious impact on quality of care to the Veteran	minutes for Troponin test TAT	Customer Results - Timeliness and Responsiveness	Under target	66.000000	66.000000	66.000000	66.000000	Semi-Annual
The contracted minimum Service Level Target System Availability for Remote Hosting Environment (RHO) Services is 99.9%. 99.9% uptime roughly equates to approximately 44 minutes of unplanned downtime for a 30 day period.	% availability	Technology - Reliability and Availability	Over target	99.900000	99.900000	99.900000	99.900000	Monthly